Senate Engrossed House Bill FILED
MICHELE REAGAN
SECRETARY OF STATE

State of Arizona House of Representatives Fifty-third Legislature First Regular Session 2017

CHAPTER 232 HOUSE BILL 2366

AN ACT

AMENDING SECTION 42-12152, ARIZONA REVISED STATUTES; RELATING TO PROPERTY CLASSIFICATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 42-12152, Arizona Revised Statutes, is amended to read:

42-12152. <u>Criteria for classification of property used for agricultural purposes</u>

- A. Property is not eligible for classification as property used for agricultural purposes unless it meets the following criteria:
- 1. The primary use of the property is as agricultural land and the property has been in active production according to generally accepted agricultural practices for at least three of the last five years. Property that has been in active production may be:
- (a) Inactive for a period of not more than twelve months as a result of acts of God.
 - (b) Inactive as a result of participation in:
- (i) A federal farm program that allows voluntary land conserving use acreage or acreage conservation, or both.
 - (ii) A scheduled crop rotation program.
- (c) Inactive or partially inactive due to a temporary reduction in or transfer of the available water supply or irrigation district water allotments for agriculture use in the farm unit. FOR LAND WITHIN AN IRRIGATION DISTRICT IN A COUNTY WITH A POPULATION OF LESS THAN NINE HUNDRED THOUSAND PERSONS, THE TEMPORARY REDUCTION OR TRANSFER MAY BE VERIFIED BY AN OFFICIAL CERTIFICATION FROM THE IRRIGATION DISTRICT TO THE COUNTY ASSESSOR THAT CONFIRMS THE REDUCTION OR TRANSFER, EXCEPT THAT IF THAT LAND IS LOCATED IN AN ACTIVE MANAGEMENT AREA AND THE LAND DOES NOT HAVE AN IRRIGATION GRANDFATHERED GROUNDWATER RIGHT, THE LAND IS NOT ELIGIBLE AS CROPLAND. A CERTIFICATION FOR PARTIAL REDUCTION IS NOT VALID FOR FULL INACTIVITY OF THE FARM UNIT FOR MORE THAN ONE YEAR.
- (d) Grazing land that is inactive or partially inactive due to reduced carrying capacity or generally accepted range management practices.
- 2. There is a reasonable expectation of operating profit, exclusive of land cost, from the agricultural use of the property.
- 3. If the property consists of noncontiguous parcels, the noncontiguous parcels must be managed and operated on a unitary basis and each parcel must make a functional contribution to the agricultural use of the property.
- B. If feedlot or dairy operations that are in active production are moved to another property at which the operations are in active production, the requirement that the property be in active production for at least three of the last five years does not apply to the property to which the operations are moved for the first three years after the operations are moved.

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C. The requirement contained in subsection A, paragraph 2 of this section shall be satisfied if the owner files with the assessor an affidavit of agricultural use, signed by the owner attesting that all information in the affidavit is true and the property is actively producing with an expectation of profit.

APPROVED BY THE GOVERNOR MAY 1, 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 1, 2017.

Passed the House 7	ry 22,2017	Passed the Senate April 20, 20 17				
by the following vote:	59 Ayes,	by the following vote: 30 Ayes,				
Nays,	Not Voting	ONays,ONot Voting				
Speaker of the H	ouse □ Pro Tempore	President of the Senate				
Jin D	rake	Susm Overces				
Chief Clerk of th	e House	Secretary of the Senate				
	OFFICE O	RTMENT OF ARIZONA F GOVERNOR				
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-	day of	, 20				
а	t	o'clockM.				
-	Secretary to the Governor					
Approved this _		day of				
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G	overnor of Arizona	EXECUTIVE DEPARTMENT OF ARIZONA OFFICE OF SECRETARY OF STATE				
		This Bill received by the Secretary of State				
		thisday of, 20				
н.в. 2366		ato'clockM.				
		Secretary of State				

HOUSE CONCURS IN SENATE AMENDMENTS AND FINAL PASSAGE

April 25, 20/7,
by the following vote: Ayes,
Nays, 2 Not Voting / Vaccent
Speaker of the House
Chief Clerk of the House
EXECUTIVE DEPARTMENT OF ARIZONA OFFICE OF GOVERNOR
This Bill was received by the Governor this day of
at 19:09 o'clock P. M.
Secretary to the Governor
Approved this day of
atM.
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State					
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at 7:03			M.		
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H.B. 2366